On June 29, 2006, the Civil Grand Jury issued a report on fraud in the CalWORKs Child Care Program and its recommendations have the potential to reduce child care fraud, and warrant a thorough and complete analysis by the County.

CalWORKs child care is administered though a 3-stage system, where Stage 1 is administered by the Department of Public Social Services and Stages 2 and 3 are administered by the California Department of Education. While our County has implemented an extensive system to prevent and detect Stage 1 child care fraud, the State has not implemented any system to combat fraud in Stages 2 and 3.

This Board supported legislation (SB 1421) in consultation with the District Attorney,

Department of Public Social Services, and the Alternative Payment Providers to address the gap in Stage 2 and 3 Child Care. SB 1421 would have established a fraud prevention and detection system, modeled on the Los Angeles County Stage 1 system, for CalWORKs Stage 2 and 3 child care over which the County has no authority or

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	<u>MOTION</u>
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jurisdiction. SB 1421 was placed in suspension by the Senate Appropriations Committee on May 15, 2006.

The integrity of all child care program must be maintained for the sake of the families in Los Angeles County and comprehensive quality control measures need to be in place to safeguard child care programs from potential cheaters and criminals.

## I, THEREFORE, MOVE that the Board of Supervisors:

- Direct the Director of the Department of Public Social Services, in collaboration
  with the District Attorney, to analyze and develop a response to the specific
  recommendations in the Grand Jury report, and submit a report to the Board
  within 60 days.
- 2. Direct the Chief Administrative Officer, in collaboration with the Department of Public Social Services and the District Attorney, to develop a legislative proposal for the 2007 State Legislative session to implement an effective system to prevent and detect fraud in the CalWORKs Stage 2 and 3 Child Care Program administered by the California Department of Education.

# # #

MDA:rkrb

s/motions/child care fraud